

TOWN OF LOGANSPOUT, LOUISIANA  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2013

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date JUL 23 2014

Marsha O. Millican  
A Professional Accounting Corporation  
Shreveport, Louisiana

TOWN OF LOGANSPORT, LOUISIANA

TABLE OF CONTENTS

DECEMBER 31, 2013

	<u>Page</u>
<b>INDEPENDENT AUDITOR'S REPORT</b>	<b>1 - 3</b>
<b>MANAGEMENT'S DISCUSSION AND ANALYSIS</b>	<b>4 - 8</b>
<b>FINANCIAL STATEMENTS</b>	
Statement of Net Position	9
Statement of Activities	10
Balance Sheet - Governmental Funds	11
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	12
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	13
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	14
Statement of Net Position - Proprietary Funds	15
Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Funds	16
Statement of Cash Flows - Proprietary Funds	17
<b>NOTES TO FINANCIAL STATEMENTS</b>	<b>18 - 25</b>
<b>REQUIRED SUPPLEMENTARY INFORMATION</b>	
Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds - Budget (GAAP) And Actual - General Fund	26
<b>OTHER SUPPLEMENTARY INFORMATION</b>	
Schedule of Compensation Paid to Mayor and Members of the Town Council	27
Comparative Statement of Revenues, Expenditures, and Changes in Net Position - Proprietary Fund Type	28

TOWN OF LOGANSPORT, LOUISIANA

TABLE OF CONTENTS (CONTINUED)

DECEMBER 31, 2013

<b>INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS</b>	<b>29 - 30</b>
<b>SCHEDULE OF FINDINGS</b>	<b>31</b>
<b>CORRECTIVE ACTION TAKEN ON PRIOR YEAR FINDINGS</b>	<b>32</b>



# Marsha O. Millican

APROFESSIONAL ACCOUNTING CORPORATION

## Independent Auditor's Report

The Honorable Katherine Freeman, Mayor  
And Members of the Town Council  
Town of Logansport, Louisiana

### **Report on the Financial Statements**

I have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of Town of Logansport, Louisiana, as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards and require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

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SHREVEPORT, LA 71104-3036  
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**Opinion**

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Town of Logansport, as of December 31, 2013, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Matters**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4-8 and the budgetary information on page 26 be presented to supplement the basic financial statements. Such information is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

**Other Information**

My audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of compensation paid to the mayor and town council on page 27 and comparative statement of revenues, expenditures, and changes in net position, - proprietary fund type on page 28 are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of compensation paid to the mayor and town council and the comparative statement of revenues, expenditures, and changes in net position - proprietary fund type are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other

additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, I have also issued my report dated July 1, 2014 on my consideration of Town of Logansport's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contract and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Town of Logansport's internal control over financial reporting and compliance.

*Marsha D. Millican*

Certified Public Accountant  
July 1, 2014

TOWN OF LOGANSFORT, LOUISIANA  
P O BOX 400  
LOGANSFORT, LOUISIANA 71049

MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2013

The Management's Discussion and Analysis of the Town of Logansport's financial performance presents a narrative overview of the Town of Logansport's financial activities for the year ended December 31, 2013. The document focuses on the current year's activities, resulting changes, and currently known facts. Please read this document in conjunction with the Town's financial statements, which follow this section.

**FINANCIAL HIGHLIGHTS**

Governmental Activities

- 1) Town of Logansport had cash of \$274,681 at December 31, 2013, which represents a decrease of \$353,293 from prior year end.
- 2) Town of Logansport had taxes receivable of \$29,221 at December 31, 2013, which represents an increase of \$4,783 from prior year end.
- 3) Town of Logansport had accounts payable and accruals of \$104,126 at December 31, 2013, which represents an increase of \$23,707 from the prior year end.
- 4) Town of Logansport had total revenues of \$645,701 for the year ended December 31, 2013, which represents an increase of \$86,423 from prior year.
- 5) Town of Logansport had total expenses of \$715,558 for the year ended December 31, 2013, which represents an increase of \$89,294 from prior year.
- 6) Town of Logansport had capital improvements of \$242,174 for the year ended December 31, 2013.

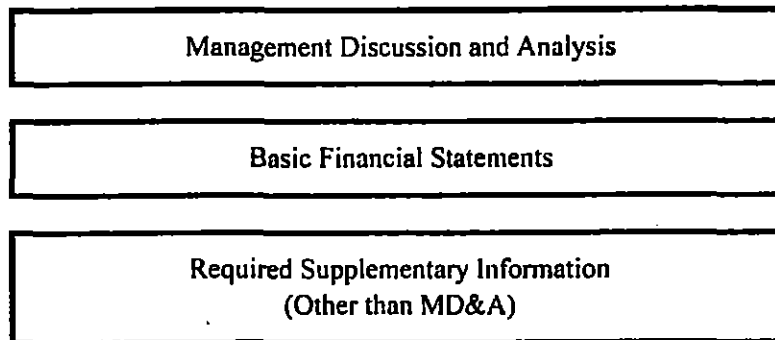
Business-Type Activities

- 1) Town of Logansport had cash of \$585,811 for the year ended December 31, 2013, which represents a decrease of \$585,811 from prior year.
- 2) Town of Logansport had accounts receivable of \$114,823 for the year ended December 31, 2013, which represents a decrease of \$19,178 from prior year.
- 3) Town of Logansport had accounts payable and accruals of \$37,281 for the year ended December 2013, which represents a decrease of \$279,570 from prior year.
- 4) Town of Logansport had total revenues of \$1,301,266 for the year ended December 31, 2013, which represents a decrease of \$91,122 from prior year.
- 5) Town of Logansport had total expenses of \$1,558,374 for the year ended December 31, 2013, which represents an increase of \$154,579 from prior year.
- 6) Town of Logansport had capital asset improvements of \$633,606 for the year ended December 31, 2013.

TOWN OF LOGANSPORT, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)  
DECEMBER 31, 2013

**OVERVIEW OF THE FINANCIAL STATEMENTS**

The following graphic illustrates the minimum requirements for the Town of Logansport as established by Governmental Accounting Standards Board Statement 34, *Basic Financial Statements and Management's Discussion and Analysis - for State and Local Governments*.



These financial statements consist of three sections - Management's Discussion and Analysis (this section), the basic financial statements (including the notes to the financial statements), and required supplementary information.

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on pages 9 and 10) provide information about the activities of the Town of Logansport as a whole and present a longer-term view of the Town's finances. Fund financial statements start on page 11. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Town's operations in more detail than the government-wide statements by providing information about the Town's most significant funds.

**Reporting the Town as a Whole**

**The Statement of Net Position and the Statement of Activities**

One of the most important questions asked about the Town's finances is, "Is the Town as a whole, better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the Town as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.



TOWN OF LOGANSPORT, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)  
DECEMBER 31, 2013

**OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)**

These two statements report the Town's net position and changes in them. You can think of the Town's net position, the difference between assets and liabilities, as one way to measure the Town's financial health, or financial position. Over time, increases or decreases in the Town's net position are one indicator of whether its financial health is improving or deteriorating.

In the Statement of Net Position and the Statement of Activities, we divide the Town into two kinds of activities:

Governmental Activities

Most of the Town's basic services are reported here including the police and general administration. Taxes, license and permits, fines, interest income and state and federal grants finance most of these activities.

Business-Type Activities

The Town charges a fee to customers to help it cover all or most of the cost of certain services it provides. The Town's water and sewer systems are reported here.

**Reporting the Town's Most Significant Funds**

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds, not the Town as a whole. Some funds are required to be established by State law and by bond covenants. However, the Town Council may establish other funds to help it control the money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants and other money. The Town's two kinds of funds, governmental and proprietary, use different accounting approaches.

Governmental Funds

Most of the Town's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short term view of the Town's general governmental operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Town's activities as well as what remains for future spending.

Proprietary Funds

When the Town charges customers for the services it provides, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and Statement of Activities. In fact, the Town's enterprise funds are the same as the business-type activities we reported in the government-wide statements but provide more detail and additional information, such as cash flows.

**TOWN OF LOGANSFORT, LOUISIANA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**  
**DECEMBER 31, 2013**

**FINANCIAL ANALYSIS OF THE ENTITY**

**Statement of Net Position at Year End**

	Governmental Activities 2013	Business Activities 2013	Governmental Activities 2012	Business Activities 2012
Current and other assets	\$ 348,902	745,855	\$ 652,412	\$ 1,736,712
Capital assets, net	1,731,537	5,943,231	1,559,802	5,541,242
<b>Total Assets</b>	<b>2,080,439</b>	<b>6,689,086</b>	<b>2,212,214</b>	<b>7,277,954</b>
Accounts Payable and Accruals	104,126	37,281	80,419	316,851
Long-Term Debt	-	3,581,301	-	3,628,643
Due to Other Funds	3,200	-	260,550	-
Customer Deposits	-	80,695	-	85,543
<b>Total Liabilities</b>	<b>107,326</b>	<b>3,699,277</b>	<b>340,969</b>	<b>4,031,037</b>
<b>Net Position</b>				
Investments in capital assets,				
Net of related debt	1,731,537	2,361,930	1,559,802	1,921,599
Restricted Net Position	19,368	240,447	19,368	210,324
Unrestricted	222,208	387,432	292,075	1,114,994
<b>Total Net Position</b>	<b>\$ 1,973,113</b>	<b>\$ 2,989,809</b>	<b>\$ 1,871,245</b>	<b>\$ 3,246,917</b>

Net position of the Town of Logansport increased or decreased from the previous fiscal year in Governmental Activities and Business-Type Activities, as shown in the following table. These changes are the result of operating and other expenses being less than/exceeding operating and nonoperating revenues during the fiscal year ended 2013 (See table below).

**Statement of Activities As of Year End**

	Government 2013	Business 2013	Government 2012	Business 2012
General Government Expenses	\$ (543,823)	\$ (1,558,374)	\$ (626,264)	\$ (1,403,795)
Program revenues				
Charges for services	-	945,312	-	1,070,858
Operating and capital grants and Contributions	-	335,246	-	275,517
<b>Subtotal</b>	<b>(543,823)</b>	<b>(277,816)</b>	<b>(626,264)</b>	<b>(57,420)</b>
General revenues and transfers	645,701	20,708	559,278	46,013
<b>Change in net position</b>	<b>\$ 101,878</b>	<b>\$ (257,108)</b>	<b>\$ (66,986)</b>	<b>\$ (11,407)</b>

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

At the end of 2013, Town of Logansport had \$1,731,537 and \$5,943,253 net of depreciation in Governmental Activities and Business-Type Activities, respectively, invested in a broad range of capital assets (See table below). This account represents a net increase (including additions and deductions) of \$171,735 and an increase of \$401,988 in Governmental Activities and Business-Type Activities, respectively, from the previous year.

**TOWN OF LOGANSPORT, LOUISIANA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**  
**DECEMBER 31, 2013**

**Capital Assets (Net) at Year End**

	Governmental Activities 2013	Business-Type Activities 2013
Land	\$ 55,200	\$ 16,873
Buildings and other improvements	1,676,337	-
Distribution system	-	5,852,666
Equipment and other assets	-	73,692
Total	<u>\$ 1,731,537</u>	<u>\$ 5,943,231</u>

Additions for the year ended December 31, 2009 are as follows:

This years major additions included:

	Governmental Activities 2013	Business-Type Activities 2013
Distribution system	\$ -	\$ 633,606
Land	-	-
Buildings and other improvements	242,174	-
Equipment and other assets	-	-
Total	<u>\$ 242,174</u>	<u>\$ 633,606</u>

**Debt**

Town of Logansport had \$3,581,301 in long-term liabilities payable for the Business-Type Activities at year end.

	Governmental Activities	Business-Type Activities
Long-term debt	\$ -	\$ 3,581,301

**VARIATIONS BETWEEN ORIGINAL AND FINAL BUDGETS**

Actual revenues were \$135,537 more than budgeted amounts.

Actual expenditures were \$75,000 more than budgeted amounts.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

The Town of Logansport's elected officials considered the following factors and indicators when setting next year's budget, rates and fees. These factors and indicators include:

- 1) Taxes
- 2) Intergovernmental revenues (state and local grants)
- 3) License and permits
- 4) Fines

Town of Logansport does not expect any significant changes in next year's results as compared to the current year.

**CONTACTING TOWN OF LOGANSPORT'S MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the Town of Logansport's finances and to show the Town of Logansport's accountability for the money it receives. If you have questions about this report or need additional information, contact Kathryn Freeman, Mayor of the Town of Logansport, Post Office Box 400, Logansport, Louisiana 71049

**TOWN OF LOGANSPORT, LOUISIANA**  
**STATEMENT OF NET POSITION**  
**DECEMBER 31, 2013**

ASSETS	Governmental Activities	Business-Type Activities	Total
<b>Current Assets</b>			
Cash	\$ 274,681	\$ 264,669	\$ 539,350
Taxes and accounts receivable	29,221	114,823	144,044
Grants receivable	45,000	15,731	60,731
Inventory	-	26,290	26,290
Total Current Assets	<u>348,902</u>	<u>421,513</u>	<u>770,415</u>
<b>Noncurrent Assets</b>			
Restricted cash	-	321,142	321,142
Due from other funds	-	3,200	3,200
Capital assets, net	1,731,537	5,943,231	7,674,768
Total Noncurrent Assets	<u>1,731,537</u>	<u>6,267,573</u>	<u>7,999,110</u>
<b>Total Assets</b>	<u>2,080,439</u>	<u>6,689,086</u>	<u>8,769,525</u>
<b>Deferred Outflows of Resources</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>LIABILITIES</b>			
<b>Current Liabilities:</b>			
Accounts payable and accruals	104,126	37,281	141,407
Current portion of long term debt	-	103,988	103,988
Due to other funds	3,200	-	3,200
Total current liabilities	<u>107,326</u>	<u>141,269</u>	<u>248,595</u>
<b>Noncurrent Liabilities</b>			
Long-term debt, net of current portion	-	3,477,313	3,477,313
Customer deposits	-	80,695	80,695
Total Noncurrent liabilities	<u>-</u>	<u>3,558,008</u>	<u>3,558,008</u>
<b>Total liabilities</b>	<u>107,326</u>	<u>3,699,277</u>	<u>3,806,603</u>
<b>Deferred Inflows of Resources</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET POSITION</b>			
Investment in capital assets, Net of related debt	1,731,537	2,361,930	4,093,467
Restricted for debt service	-	240,447	240,447
Restricted for protested taxes	19,368	-	19,368
Unrestricted	222,208	387,432	609,640
Total Net Position	<u>\$ 1,973,113</u>	<u>\$ 2,989,809</u>	<u>\$ 4,962,922</u>

See accompanying notes to financial statements.

TOWN OF LOGANSPORT - LOUISIANA  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2013

	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<b>Primary Government</b>							
Governmental Activities							
General Government	\$ 473,384	\$ -	\$ -	-	\$ (473,384)	\$ -	\$ (473,384)
Depreciation	70,439	-	-	-	(70,439)	-	(70,439)
Total Governmental Activities	543,823	-	-	-	(543,823)	-	(543,823)
Business-Type Activities							
Utility Fund	1,558,374	945,312	-	335,246	-	(277,816)	(277,816)
Total Business-Type Activities	1,558,374	945,312	-	335,246	-	(277,816)	(277,816)
<b>Total Primary Government</b>	<u>\$ 2,102,197</u>	<u>\$ 945,312</u>	<u>\$ -</u>	<u>\$ 335,246</u>	(543,823)	(277,816)	(821,639)
<b>General Revenues</b>							
Taxes							
Ad Valorem					53,124	-	53,124
Licenses and Permits					95,756	-	95,756
Sales					199,585	-	199,585
Intergovernmental					262,511	-	262,511
Interest					-	20,708	20,708
Fines					30,284	-	30,284
Miscellaneous					4,441	-	4,441
Total General Revenues and Transfers					<u>645,701</u>	<u>20,708</u>	<u>666,409</u>
<b>Change in Net Position</b>					101,878	(257,108)	(155,230)
<b>Net Position, Beginning of Year</b>					<u>1,871,245</u>	<u>3,246,917</u>	<u>5,118,162</u>
<b>Net Position, End of Year</b>					<u>\$ 1,973,123</u>	<u>\$ 2,989,809</u>	<u>\$ 4,962,932</u>

See accompanying notes to financial statements.

**TOWN OF LOGANSPORT, LOUISIANA**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2013**

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>
<b>ASSETS</b>			
Cash	\$ 274,681	\$ -	\$ 274,681
Grants Receivable	45,000	-	45,000
Taxes and accounts receivable	29,221	-	29,221
Due from other funds	-	-	-
Prepaid expenses	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>
Total Assets	<u>\$ 348,902</u>	<u>\$ -</u>	<u>\$ 348,902</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities</b>			
Accounts payable and accruals	\$ 104,126	\$ -	\$ 104,126
Due to other funds	3,200	-	3,200
	<u>          </u>	<u>          </u>	<u>          </u>
Total Liabilities	107,326	-	107,326
<b>Fund Balances</b>			
Restricted for debt service	-	-	-
Restricted for protested taxes	19,368	-	19,368
Unreserved	222,208	-	222,208
	<u>          </u>	<u>          </u>	<u>          </u>
Total Fund Balances	241,576	-	241,576
Total Liabilities and Fund Balances	<u>\$ 348,902</u>	<u>\$ -</u>	<u>\$ 348,902</u>

See accompanying notes to financial statements.

TOWN OF LOGANSPORT, LOUISIANA  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
FOR THE YEAR ENDED DECEMBER 31, 2013

Total Fund Balance for Governmental Funds	\$ 241,576
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Total Net Position for governmental activities in the  
statement of net assets is different because:

Capital assets used in governmental activities  
are not financial resources and therefore are  
not reported in the funds.

1,731,537

Total Net Position of Governmental Activities

\$ 1,973,113

See accompanying notes to financial statements.

**TOWN OF LOGANSPOUT, LOUISIANA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	<u>General Fund</u>	<u>Capital Projects</u>	<u>Total</u>
<b>Revenues</b>			
<b>Taxes</b>			
Ad Valorem	\$ 53,124	\$ -	\$ 53,124
Licenses and Permits	95,756	-	95,756
Sales	199,585	-	199,585
<b>Intergovernmental</b>		-	
Video Poker	126,236		126,236
Grants	136,275		136,275
<b>Fines</b>	30,284	-	30,284
<b>Miscellaneous</b>	4,441	-	4,441
<b>Total Revenues</b>	<u>645,701</u>	<u>-</u>	<u>645,701</u>
 <b>Expenditures</b>			
General Government	329,299	-	329,299
Public Safety	284,400	-	284,400
Streets	101,859		101,859
Capital Projects	-	-	-
<b>Total Expenditures</b>	<u>715,558</u>	<u>-</u>	<u>715,558</u>
 <b>Net Change in Fund Balances before transfers</b>	<b>(69,857)</b>		<b>(69,857)</b>
 <b>Transfers to Other Funds</b>	<u>-</u>	<u>-</u>	<u>-</u>
 <b>Net Change in Fund Balance</b>	<b>(69,857)</b>		<b>(69,857)</b>
 <b>Fund Balances, Beginning of year</b>	<u>311,433</u>	<u>-</u>	<u>311,433</u>
 <b>Fund Balances, End of year</b>	<u>\$ 241,576</u>	<u>-</u>	<u>\$ 241,576</u>

See accompanying notes to financial statements.



TOWN OF LOGANSPORT, LOUISIANA  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2013

Net Changes in Fund Balances - Total Governmental Funds	\$ (69,857)
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The change in Net Position reported for governmental activities  
in the statement of activities is different because:

Governmental funds report capital outlays as  
expenditures. However, in the statement of  
activities the cost of those assets is allocated  
over their estimated useful lives and reported  
as depreciation expense. This is the amount  
by which capital outlay (\$242,174) exceeds  
depreciation (\$70,439)

<u>171,735</u>
----------------

Change in Net Position of Governmental Activities
---

<u>\$ 101,878</u>
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See accompanying notes to financial statements.

TOWN OF LOGANSPORT, LOUISIANA  
STATEMENT OF NET POSITION  
PROPRIETARY FUND  
DECEMBER 31, 2013

<b>Assets</b>	
<b>Current Assets</b>	
Cash	\$ 264,669
Accounts receivable	114,823
Grants receivable	15,731
Inventory	26,290
Total Current Assets	<u>421,513</u>
<b>Noncurrent Assets</b>	
Restricted cash	321,142
Due from other funds	3,200
Capital Assets, Net	5,943,231
Total Noncurrent Assets	<u>6,267,573</u>
Total Assets	<u>6,689,086</u>
<b>Deferred Outflows of Resources</b>	
	<u>-</u>
<b>Liabilities</b>	
<b>Liabilities</b>	
Accounts payable and accruals	37,281
Current portion of long term debt	103,988
Total Current Liabilities	<u>141,269</u>
<b>Noncurrent Liabilities</b>	
Long term debt, net of current portion	3,477,313
Customer deposits	80,695
Total Noncurrent Liabilities	<u>3,558,008</u>
Total Liabilities	<u>3,699,277</u>
<b>Deferred Inflows of Resources</b>	
	<u>-</u>
<b>Net Position</b>	
Investments in capital assets,	
Net of related debt	2,361,930
Reserved for debt service	240,447
Unrestricted	387,432
Total Net Position	<u>\$ 2,989,809</u>

See accompanying notes to financial statements.

TOWN OF LOGANSPORT, LOUISIANA  
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2013

<b>OPERATING REVENUES</b>	
Charges for Services	\$ 945,312
Miscellaneous	-
Total Operating Revenues	<u>945,312</u>
<b>OPERATING EXPENSES</b>	
Personal Services	508,646
Utilities	37,097
Repair and maintenance	128,868
Other supplies and expenses	492,738
Insurance	32,106
Depreciation	231,618
Total Operating Expenses	<u>1,431,073</u>
Change in Net Position before Other Expenses	(485,761)
<b>OTHER REVENUE (EXPENSE)</b>	
Capital Contributions	335,246
Interest Income	20,708
Interest Expense	<u>(127,301)</u>
Change in Net Position	(257,108)
Net Position, Beginning of Year	<u>3,246,917</u>
Net Position, End of Year	<u><u>\$ 2,989,809</u></u>

See accompanying notes to financial statements.

**TOWN OF LOGANSPORT, LOUISIANA**  
**STATEMENT OF CASH FLOWS - PROPRIETARY FUND TYPE**  
**YEAR ENDED DECEMBER 31, 2013**

Cash flows from operating activities:	
Cash received from customers	\$ 843,890
Cash payments to suppliers and employees	(1,365,225)
Other operating income	-
Net cash provided by operating activities	<u>(521,335)</u>
Cash flows from capital and related financing activities	
System improvements	(633,606)
Capital grants	335,246
Draws on DEQ loan	51,888
Repayments of loans from other funds	257,349
Interest paid on long term debt	(127,301)
Principal payments on long term debt	(99,230)
Net cash used by capital and related financing activities	<u>(215,654)</u>
Cash flows from investing activities	
Interest earned	<u>20,708</u>
Net increase in cash	(716,281)
Cash, January 1, 2013 (including \$295,867 in restricted accounts)	<u>1,302,092</u>
Cash, December 31, 2013 (including \$321,142) in restricted accounts)	<u>\$ 585,811</u>
Reconciliation of changes in net position to net cash provided by operating activities:	
Changes in net position before transfers:	\$ (485,761)
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation	231,618
Changes in assets and liabilities	
Decrease in accounts receivable	19,178
Decrease in inventory	3
Increase in grants receivable	(1,955)
Decrease in accounts payable	(279,570)
Decrease in customer deposits	(4,848)
Net cash provided by operating activities	<u>\$ (521,335)</u>

See accompanying notes to financial statements.

**TOWN OF LOGANSFORT, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2013**

Town of Logansport was incorporated in 1934, under the provisions of the Lawrason Act. The Town operates under a Mayor-Town Council form of government. The Town's major operations include public safety, streets, recreation and parks, utilities, and general administrative services.

**NOTE 1                      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A.                      Basis of Accounting**

The accompanying financial statements of the Town of Logansport have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, issued in June, 1999.

**B.                      Reporting Entity**

GASB Statement 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, Town of Logansport is considered a primary government, since it is a special purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement No. 14, fiscally independent means that Town of Logansport may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bond debt.

**C.                      Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the Statement of Net Position page 9, and the Statement of Activities, (page 10) report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of the interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from the business-type activities, which rely, to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include a) charges to customers or applicants who purchase, use or directly benefit from goods, services privileges provided by a given function or segment, and b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

TOWN OF LOGANSPOUT, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2013

**NOTE 1                      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D.                      Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements were prepared using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Ad valorem taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenue in the current fiscal period. Only the portion of special assessment receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. Sales and use tax revenues are recorded in the month collected by the tax collector. All other revenue items are considered to be measurable and available only when the cash is received by the government.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Purchases of various operating supplies are regarded as expenditures at the time purchased.

Transfers between funds that are not expected to be repaid (or any other types, such as capital lease transactions, sale of capital assets, debt extinguishment, long-term proceeds, et cetera) are accounted for as other financing sources/(uses). These other financing sources/(uses) are recognized at the time the underlying events occur.

Town of Logansport reports the following governmental and proprietary funds:

**Governmental Funds**

Governmental funds account for all or most of Town of Logansport's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of capital assets, and the servicing of general long-term obligations.

**General Fund** - is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund. General tax revenues and other sources of revenue used to finance the fundamental operations of the Town are included in this fund. The fund is charged with all cost of operating the government for which a separate fund has not been established.

TOWN OF LOGANSPOUT, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2013

**NOTE 1                      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D.                      Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

**Proprietary Funds**

Proprietary funds account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Proprietary funds differ from governmental funds in that their focus is on income measurement, which, together with the maintenance of equity, is an important financial indicator. Town of Logansport applies all GASB pronouncements as well the Financial Accounting Standards Board pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements.

*Enterprise Fund* - is used to account for operations a) that are financed/operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or b) where the governing body has decided the periodic determination of revenue earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that these standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the governments enterprise operations. Elimination of those charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include a) charges to customers or applicants for goods, services, or privileges provided, b) operating grants and contributions, and c) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Formal budgetary accounting is employed as a management control. Town of Logansport prepares and adopts a budget each year for its general and utility funds in accordance with Louisiana Revised Statutes. The operating budget is prepared based on prior year's revenues and expenditures and the estimated increase therein for the current year, using the full accrual basis of accounting. The Town amends its budget when projected revenues are expected to be less than budgeted revenues by five percent or more. All budget appropriations lapse at year end.

TOWN OF LOGANSPORT, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2013

**NOTE 1                      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**F.                      Cash and Cash Equivalents**

For the purpose of the Statement of Cash Flows and consistent with GASB Statement 9, the Town defines cash and cash equivalents as follows:

Cash - includes not only currency on hand but also demand deposits with banks or other financial institutions and other kinds of accounts that have the general characteristics of demand deposits in that the customer may deposit additional funds at any time and also effectively may withdraw funds at any time without prior notice or penalty.

Cash equivalents - includes all short-term, highly liquid investments that are readily convertible to known amounts of cash and are so near their maturity that they present insignificant risk of changes in value because of interest rates. Generally, only investments which, at the day of purchase, have a maturity date no longer than three months qualify under this definition.

**G.                      Receivables**

All receivables are reported at their gross value and, where applicable, are reduced by the estimated portion that is expected to be uncollectible.

**H.                      Bad Debts**

Uncollectible accounts receivable are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncollectibility of the particular receivable. At December 31, 2013, \$948 of Governmental and \$23,047 of Business-Type Activities receivables were considered to be uncollectible.

**I.                      Capital Assets**

The accounting and reporting treatment applied to the capital assets associated with a fund are determined by its measurement focus. Capital assets are long-lived assets that have been purchased that have a useful life of greater than one year. When purchased or acquired, these assets are recorded as capital assets in the Government-Wide Statement of Net Position. In contrast, in the Fund Financial Statements, capital assets are recorded as expenditures of the fund that provided the resources to acquire the asset. If the asset was purchased, it is recorded in the books at its cost. If the asset was donated, then it is recorded at its estimated fair market value at the date of donation.

Depreciation is computed using the straight line method over the estimated useful life of the assets, generally 10 to 40 years for buildings and other improvements, and 5 to 10 years for moveable property. Expenditures for maintenance, repairs and minor renewals are charged to earnings as incurred. Major expenditures for renewals and betterments are capitalized.

**J.                      Sales Taxes**

The Town collects a one (1) percent sales and use tax with the net proceeds, after deducting costs of collection and administration, dedicated to construction, acquiring, extending, improving and/or maintaining drainage facilities, streets, street lighting facilities, bridges, sidewalks, waterworks, sewers and sewer disposal works, recreational facilities, public parks, public buildings and equipment, payment of salaries of municipal employees, maintaining and operating the municipal police department including the purchase of equipment thereof, or for any one or more of said purposes, title to which improvements shall be in the public.



TOWN OF LOGANSFORT, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2013

**NOTE 1                      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**K.                      Compensated Absences**

Leave cannot be accumulated or carried over from one year to the next. Therefore, no liability for compensated absences has been recorded in the accompanying financial statements.

**L.                      Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of the assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**NOTE 2      LEVIED TAXES**

Town of Logansport levies taxes on real and business personal property located within its boundaries. The Parish Tax Assessor assesses the property values and prepares the Town's property tax roll. The Town bills and collects its own property taxes. Ad valorem taxes are levied and billed to the taxpayer in December, and are payable upon receipt of notice. Ad valorem taxes attach as an enforceable lien on property as of December 31 of each year. Taxes of 7.49 mills were levied on property with assess valuations totaling 7,465,081 and were dedicated for general operating purposes. Total taxes levied after adjustments were \$55,914. Taxes receivable at December 31, 2013 totaled \$8,310.

**NOTE 3      DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS**

**A.                      Deposits with Financial Institutions**

For reporting purposes, deposits with financial institutions includes savings, demand deposits, time deposits, and certificates of deposit. Under state law the Town may deposit funds within a fiscal agent bank selected and designated by the Town Council. Further, the fund may invest in time certificates of deposit of state banks organized under the laws of Louisiana, national banks having their principal office in the state of Louisiana, in savings accounts or shares of savings and loan associations and savings banks and share accounts and share certificate accounts of federally or state chartered credit unions.

Deposits in bank accounts are stated at cost, which approximates market. Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These pledged securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. The carrying amount of the Town's deposits at December 31, 2013 including petty cash of \$500 was \$860,492 and the bank's balance was \$872,404. The difference is due to outstanding checks and deposits at year end. The banks balances were secured as follows:

Secured by FDIC Insurance:	\$            601,060
Collateralized by securities pledged in the Town's name:	<u>271,344</u>
Total	<u><u>\$            872,404</u></u>

**TOWN OF LOGANSPORT, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2013**

**NOTE 4 ACCOUNTS RECEIVABLE**

The following is a summary of accounts receivable at December 31, 2013:

	Governmental Activities	Business-Type Activities	Total
Taxes			
Ad Valorem	\$ 8,310	\$ -	\$ 8,310
Franchise	8,332	-	8,332
Video Poker	12,579	-	12,579
Grants	-	15,731	15,731
Charges for services	-	114,823	114,823
Total.	<u>\$ 29,221</u>	<u>\$ 130,554</u>	<u>\$ 159,775</u>

**NOTE 5 CAPITAL ASSETS**

A summary of Town of Logansport's capital assets at December 31, 2013 follows:

	Balance 1/1/2013	Additions	Retirements	Balance 12/31/2013
<b>Government Activities</b>				
Capital Assets, not being depreciated				
Land	\$ 55,200	\$ -	\$ -	\$ 55,200
Total Capital Assets, not being depreciated	<u>55,200</u>	<u>-</u>	<u>-</u>	<u>55,200</u>
Capital Assets, being depreciated				
Buildings and other improvements	1,902,474	242,174	-	2,144,648
Less accumulated depreciation	(397,872)	(70,439)	-	(468,311)
Total Buildings and other improvements	<u>1,504,602</u>	<u>171,735</u>	<u>-</u>	<u>1,676,337</u>
Equipment and other assets	151,973	-	-	151,973
Less accumulated depreciation	(151,973)	-	-	(151,973)
Total Equipment, Furniture & Fixtures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Capital Assets, being depreciated	<u>1,504,602</u>	<u>171,735</u>	<u>-</u>	<u>1,676,337</u>
<b>Governmental Activities</b>				
Total Capital Assets, net	<u>\$ 1,559,802</u>	<u>\$ 171,735</u>	<u>\$ -</u>	<u>\$ 1,731,537</u>
<b>Business-Type Activities</b>				
Capital Assets, not being depreciated				
Land	\$ 16,873	\$ -	\$ -	\$ 16,873
Total Capital Assets, not being depreciated	<u>16,873</u>	<u>-</u>	<u>-</u>	<u>16,873</u>
Capital Assets, being depreciated				
Distribution System	9,375,123	633,606	-	10,008,729
Less accumulated depreciation	(3,974,596)	(181,467)	-	(4,156,063)
Total Distribution System	<u>5,400,527</u>	<u>452,139</u>	<u>-</u>	<u>5,852,666</u>
Equipment, furniture & fixtures	526,929	-	-	526,929
Less accumulated depreciation	(403,086)	(50,151)	-	(453,237)
Total Equipment, Furniture & Fixtures	<u>123,843</u>	<u>(50,151)</u>	<u>-</u>	<u>73,692</u>
Total Capital Assets, being depreciated	<u>5,524,370</u>	<u>401,988</u>	<u>-</u>	<u>5,926,358</u>
<b>Business-Type Activities</b>				
Total Capital Assets, net	<u>\$ 5,541,243</u>	<u>\$ 401,988</u>	<u>\$ -</u>	<u>\$ 5,943,231</u>
<b>Primary Government</b>				
Total Capital Assets, net	<u>\$ 7,101,045</u>	<u>\$ 573,723</u>	<u>\$ -</u>	<u>\$ 7,674,768</u>

**TOWN OF LOGANSFORT, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2013**

**NOTE 6 ACCOUNTS PAYABLE AND ACCRUALS**

The following is a summary of accounts payable at December 31, 2013:

	Governmental Activities	Business-Type Activities	Total
Vendor	\$ 104,126	\$ 37,281	\$ 141,407
Payroll taxes	-	-	-
Construction	-	-	-
Total	<u>\$ 104,126</u>	<u>\$ 37,281</u>	<u>\$ 141,407</u>

**NOTE 7 LEASES**

Town of Logansport was not obligated under any operating lease commitments at December 31, 2013.

**NOTE 8 RISK MANAGEMENT**

Town of Logansport is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town maintains commercial insurance coverage covering each of these risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Town.

**NOTE 9 LONG-TERM DEBT**

The following is a summary of debt transactions of Town of Logansport, Louisiana for the year ended December 31, 2013:

	Balance 1/1/2013	Issuances	Retirements	Balance 12/31/2013
Water Revenue Bonds	\$ 2,589,343	\$ -	\$ (47,230)	\$ 2,542,113
Sewer Revenue Bonds	1,039,300	51,888	(52,000)	1,091,188
Balance, December 31, 2013	<u>\$ 3,628,643</u>	<u>\$ 51,888</u>	<u>\$ (99,230)</u>	<u>\$ 3,581,301</u>

Bonds payable at December 31, 2013 are comprised of the following:

**Water Revenue Bonds**

\$3,000,000 water, sewer and gas serial bonds due in monthly installments of \$14,100 through May 24, 2040; interest at 4.75% \$ 2,542,113

**Sewer Revenue Bonds**

\$1,135,000 sewer bonds due in annual payments ranging from \$52,000 - \$62,000 June, 2013 through June, 2032 interest at .450% \$ 1,091,188

**TOWN OF LOGANSPORT, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2013**

**NOTE 9            LONG TERM DEBT (CONTINUED)**

The annual requirements to amortize all long-term debt outstanding as of December 31, 2013, including interest payments of \$1,912,977 are as follows:

Year Ending December 31	Sewer Bonds	Revenue Bonds	Total
2014	\$ 56,874	\$ 169,200	\$ 226,074
2015	57,640	169,200	226,840
2016	57,401	169,200	226,601
2017	58,162	169,200	227,362
2018	57,919	169,200	227,119
2019 and after	751,482	3,608,800	4,360,282
Totals	<u>\$ 1,039,478</u>	<u>\$ 4,454,800</u>	<u>\$ 5,494,278</u>

**NOTE 10            PENDING LITIGATION AND CONTINGENT LIABILITIES**

The Town is party to various litigations as plaintiff and as defendant. None of the cases have been concluded and the resultant future recovery or liability cannot be determined; and no allowance, therefore has been made in these statements. Legal representation for the Town estimates no monetary exposure for the Town.

**NOTE 11            SUBSEQUENT EVENTS**

Management has evaluated subsequent events through July 1, 2014, the date the financial statements were available to be issued, and determined no additional disclosures are warranted.

**TOWN OF LOGANSPOUT, LOUISIANA**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE OF**  
**GOVERNMENTAL FUNDS - BUDGET (GAAP BASIS) AND ACTUAL - GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Taxes				
Ad Valorem	\$ 50,700	\$ 55,914	\$ 53,124	\$ (2,790)
Licenses & Permits	86,000	95,100	95,756	656
Sales	180,000	200,000	199,585	(415)
Fines	15,000	30,000	30,284	284
Intergovernmental	135,000	125,000	262,511	137,511
Sale of town property	-	-	-	-
Miscellaneous	2,750	4,150	4,441	291
Total revenues	<u>469,450</u>	<u>510,164</u>	<u>645,701</u>	<u>135,537</u>
<b>Expenditures:</b>				
General government	151,374	311,570	329,299	(17,729)
Public Safety	285,788	285,288	284,400	888
Highways and streets	32,000	43,700	101,859	(58,159)
Total Expenditures	<u>469,162</u>	<u>640,558</u>	<u>715,558</u>	<u>(75,000)</u>
Net Change in Fund Balances before Other Financing Sources	288	(130,394)	(69,857)	65,928
Other Financing Sources				
Transfers from Other Funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	288	(130,394)	(69,857)	65,928
<b>Fund Balances, Beginning</b>	<u>311,433</u>	<u>311,433</u>	<u>311,433</u>	<u>-</u>
<b>Fund Balances, Ending</b>	<u>\$ 311,721</u>	<u>\$ 181,039</u>	<u>\$ 241,576</u>	<u>\$ 65,928</u>

TOWN OF LOGANSPORT, LOUISIANA  
SCHEDULE OF COMPENSATION PAID TO MAYOR AND  
MEMBERS OF THE TOWN COUNCIL

YEAR ENDED DECEMBER 31, 2013

Katherine Freeman, Mayor	\$ 12,000
Norman Arbuckle	2,400
Douglas Guillotte	2,400
June Hooper	2,400
Deborah Roberts	2,400
Edith Williams	<u>2,400</u>
 Total	 <u>\$ 24,000</u>

TOWN OF LOGANSPORT, LOUISIANA  
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN RETAINED EARNINGS - PROPRIETARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31,

	<u>2013</u>	<u>2012</u>
<b>OPERATING REVENUES</b>		
Charges for Services	\$ 945,312	\$ 1,070,858
Miscellaneous	-	16,078
Total Operating Revenues	<u>945,312</u>	<u>1,086,936</u>
<b>OPERATING EXPENSES</b>		
Personal Services	508,646	490,866
Utilities	37,097	31,156
Repair and maintenance	128,868	78,261
Other supplies and expenses	492,738	443,749
Insurance	32,106	25,817
Depreciation	231,618	208,872
Total Operating Expenses	<u>1,431,073</u>	<u>1,278,721</u>
Change in Net Position before Other Revenue (Expense)	(485,761)	(191,785)
<b>OTHER REVENUE (EXPENSE)</b>		
Capital Contributions	335,246	275,517
Interest income	20,708	29,935
Interest expense	<u>(127,301)</u>	<u>(125,074)</u>
Change in Net Position	(257,108)	(11,407)
Net Position, beginning of year	<u>3,246,917</u>	<u>3,258,324</u>
Net Assets, End of Year	<u>\$ 2,989,809</u>	<u>\$ 3,246,917</u>

See accountant's compilation report and notes to financial statements.



# Marsha O. Millican

**A PROFESSIONAL ACCOUNTING CORPORATION**

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT  
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

The Honorable Katherine Freeman  
and Members of the Town Council  
Town of Logansport, Louisiana

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, business-type activities, each major fund, and the remaining aggregate fund information of Town of Logansport as of and for the year ended December 3, 2013, and related notes to the financial statements, which collectively comprise the Town's basic financial statements, and have issued my report thereon dated July 1, 2014.

## Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered Town of Logansport, Louisiana's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, I do not express an opinion on the effectiveness of the Town's internal control over financial reporting.

My consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. However, as described in the accompanying schedule of findings and questioned costs, I identified a certain deficiency in internal control that I consider to be a significant deficiency.

A deficiency in internal control exists when the design or operation a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Town's financial statements will not be prevented, or detected on a timely basis. I consider the deficiency described in the accompanying schedule of findings and questioned costs to be a significant deficiency and is reported as Finding 2013-1.

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether Town of Logansport's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and is reported in the accompanying schedule of findings as Finding 2013-2.

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Purpose of this Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Although the intended use of this report may be limited, under Louisiana Revised Statutes, it is issued by the Legislative Auditor as a public document.



Certified Public Accountant  
July 1, 2014

TOWN OF LOGANSPORT, LOUISIANA

SCHEDULE OF FINDINGS

DECEMBER 31, 2013

**SUMMARY OF AUDIT RESULTS**

1. The auditor's report expresses an unqualified opinion on the financial statements.
2. One significant deficiency in internal control over financial reporting was disclosed during the audit.
3. One instance of noncompliance was disclosed during the audit.

FINDING 2013-1

Criteria: The segregation of duties is inadequate to provide effective internal control.

Cause: The condition is due to economic and space limitations.

Recommendation: Whether or not it would be cost effective to correct a deficiency is not a factor in reporting requirements under accounting standards generally accepted in the United States of America. Because prudent management requires that the potential benefit from an internal control must exceed its cost, it may not be practical to correct all deficiencies reported under accounting standards generally accepted in the United States of America. In this case, both management and the auditor do not believe that correcting the material weakness described above is cost effective or practical, and, accordingly, do not believe that any corrective action is necessary.

Management's Response: We concur with the finding. We realize the need to segregate duties and will segregate duties as economic and space limitations permit.

FINDING 2013-2:

Condition: The Town was not in compliance with the state budget law. Although the Town amended the budget, actual expenses exceeded budgeted expense by 5% or more.

Cause: Unknown.

Recommendation: I recommend the Town comply with state law.

Management's Response and Corrective Action Plan: We agree with the finding. We will comply with state law in the future.

TOWN OF LOGANSPORT, LOUISIANA

CORRECTIVE ACTION TAKEN ON PRIOR YEAR FINDINGS

For the Year Ended December 31, 2013

**FINDING 2012-1:**

Lack of segregation of duties.

**STATUS:** Unresolved.

**FINDING 2012-2:**

The Town did not file its annual financial statements within the time frame required by state law.

**STATUS:** Resolved.